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**From:** Talley, Noelle S [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=CD9F3882421746BCB5A60CBE82CDFF89-NSTALLEY]  
**Sent:** 7/19/2017 12:03:07 AM  
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**Subject:** FW: Insider for July 19, 2017

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**From:** insider@ncinsider.com  
**Sent:** Wednesday, July 19, 2017 12:02:49 AM (UTC-05:00) Eastern Time (US & Canada)  
**To:** NC Insider  
**Subject:** Insider for July 19, 2017

- [Today's Insider \(PDF\)](#)



### **YOU DON'T SAY...**

"There is no good policy justification for it, so I think -- the only thing I can come up with is it's some political spite."

*Attorney General Josh Stein, on the \$10 million budget cut to his office.*

WRAL NEWS, 7/18/17

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## News Summary

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### Dems Organizing

North Carolina Democrats are organizing quickly around their goal of retaking the Republican-controlled legislature thanks to the person who'd benefit the most -- Gov. Roy Cooper. Cooper and the state Democratic Party announced an initiative Tuesday to win majorities in the House and Senate by the close of the 2020 elections, right before the next full round of redistricting. The governor already has raised more than \$1 million for the "Break the Majority" effort, according to party chairman Wayne Goodwin, who said in an interview that the goal is to raise millions more. It's not surprising for a sitting North Carolina governor to raise money for party activities or candidates, but Goodwin said Cooper is going a step further by using his "political capital to embolden and strength the operations and financial resources of the party." Goodwin said the party has hired the largest research and communications team he can recall. Workers will help with candidate recruitment, fundraising and creating a unified message Democrats believe will result in more seats.

"We need to restore common sense and balance in our General Assembly and elect lawmakers who will fight for the working and middle class, for public education, and for a forward-looking and inclusive state," Cooper said in a release Tuesday.

The next scheduled election is in November 2018, but the Democrats' first test could come sooner because of federal court rulings throwing out nearly 30 House and Senate districts as illegal racial gerrymanders. Federal judges haven't yet decided whether a special election should be held before next spring under new maps that will be drawn by Republican legislative leaders. Democrats only need three additional House seats or six Senate seats to end the GOP's veto-proof majority and give Cooper more leverage over Republican leaders, who have put its conservative mark on taxes, education and social issues. Tuesday's announcement marks "the first of many steps to have enough Democrats to sustain vetoes by Gov. Cooper," Goodwin said. Democrats will need every dollar to improve their lot in the General Assembly for Cooper, who narrowly defeated GOP Gov. Pat McCrory last November. Two major GOP fundraisers -- House Speaker Tim Moore and Senate leader Phil Berger -- spent nearly \$4 million combined leading up to last fall's elections, with most of it ultimately benefiting General Assembly candidates in competitive races.

State Republican Party Executive Director Dallas Woodhouse said the GOP has built up a decent political infrastructure that's helped Republicans secure electoral victories for statewide posts that for decades were won by Democrats. But he said midterm elections for the party that holds the White House are always tough. "We fully recognize we will have challenges in front of us," he said in an interview. "There are no permanent victories in this business."

Gerrymandering is a key element of the Democratic message, which says unconstitutional maps are to blame for Republican "laws that take us backward," according to the Break the Majority website. Speaking to Democratic activists last weekend, Cooper promised the power to draw legislative and congressional maps would be shifted from the legislature to an independent, nonpartisan commission if the party wins General Assembly majorities in 2020. (Gary D. Robertson, THE ASSOCIATED PRESS, 7/18/17).

### Income Taxpayers

Income tax cuts and changes approved by legislative Republicans since 2013 will mean an estimated 230,000 fewer people will be paying income taxes in 2019, according to a legislative fiscal analysis memo released Tuesday. House Speaker Tim Moore's office released the memo, which it requested from the legislature's nonpartisan Fiscal Research Division after this year's



budget included another round of tax cuts. Starting in 2019, the state's personal income tax rate will drop from 5.499 percent to 5.25 percent. The budget will also raise the standard deduction -- the amount on which people pay no income taxes unless they itemize -- to \$20,000 for married couples filing jointly from \$17,500. Democrats have opposed the cuts, saying they will benefit the wealthy and will make it harder for the state to fund key services. The fiscal analysis compares the number of people who will owe income taxes in 2019 under current tax law to the number under the state's 2012 tax policy. Previous estimates found that 95,000 people who owe income taxes this year won't owe any in 2019 once the new standard deduction takes effect. "Of the nearly 4 million tax returns anticipated for tax year 2019, we estimate the number of returns will decrease an estimated 230,000 when compared with the expected number if the 2012 tax laws were still in effect," fiscal analysts Barry Boardman and Brian Slivka wrote in the memo. "The increase in these no-tax-liability returns will be due primarily to the increase in the standard deduction from \$17,500 in 2018 to \$20,000 in 2019." Moore touted the statistic in a news release Tuesday. "Hundreds of thousands of hard-working North Carolina parents and young people, long-time residents and newcomers will get a break from owing any income tax because we put average people first with relief that works for the workforce and helps low-income families keep more of their earnings," he said. (Colin Campbell, THE INSIDER, 7/19/17).

## **Budget Cuts**

More than 100 lawyers who work for the state may soon be out of work because Republican lawmakers made deep cuts to the personnel budget of the Attorney General's Office. The \$10 million cut will affect about half of the attorneys in the office, who handle appeals in criminal cases and pursue Medicaid fraud, scammers and polluters. "I don't know why they did it," Democratic Attorney General Josh Stein said Tuesday. "It is irresponsible. It's going to hurt the people of North Carolina."

Stein was a frequent foil to Republican legislative leaders as a state senator. Since his election as attorney general last fall, he withdrew the appeal of a decision by the 4th U.S. Circuit Court of Appeals striking down North Carolina's voter ID law, prompting the U.S. Supreme Court to leave the 4th Circuit's ruling in place.

"When the attorney general refuses to do his job and defend laws he is obligated to defend, it's the General Assembly's prerogative to divert a portion of his budget to benefit other state employees who will do their jobs," Shelly Carver, a spokeswoman for Senate President Pro Tem Phil Berger, said in a statement defending the budget cut.

Stein said his job is to serve the entire state, not just lawmakers. "Our job is to keep people safe, to keep them safe from crime, to keep them safe from pollution, to keep them safe from taxpayer fraud. That's what we do here. It doesn't have a D after it; it doesn't have an R after it," he said. "I may make decisions that they disagree with. They certainly make decisions that I disagree with. But disagreements are not a justification for putting the people of North Carolina at risk."

Local district attorneys will have to pick up the work the Attorney General's Office cannot handle because of limited staffing, but officials said the local offices don't have enough staff either. "It is not helpful to burden overworked DAs who are in trial every day with handling different types of appeals, but if we don't have the ability to do the work, then we're going to have to come up with solutions," Stein said.

Peg Dorer, director of the North Carolina Conference of District Attorneys, said local offices rely on the work the Attorney General's Office provides. "District attorneys' offices have not historically handled criminal appeals or post-conviction litigation in capital cases," Dorer said in a statement. "At this point, we do not know how this critical work will be handled, as DA offices do not have the resources to absorb the duties."

Carver said legislators set aside extra money in the state budget to hire an extra 31 assistant district attorneys across the state to help ease the workload.

Gov. Roy Cooper's budget director Charlie Perusse said his office is working with Stein "to manage this difficult budget situation."

"This almost 40% cut imposed by the General Assembly will undoubtedly impact important legal services and compromise public safety and the environment," Perusse said in an email, noting that the budget includes a \$499 million surplus. (Laura Leslie, WRAL NEWS, 7/18/17).

## Pre-K Waits

Resources: [NC Pre-K Study](#)

In each version of the North Carolina budget presented this year, from Gov. Roy Cooper to leaders of the Senate and the House of Representatives, lawmakers crowed about how they were chipping away at waiting lists for the state's subsidized NC Pre-K program. "Over the next two years, we're adding \$27 million to create an addition 3,525 new Pre-K slots," said House Appropriations chair Rep. Nelson Dollar, R-Cary, during a press conference to announce the final compromise budget between the two chambers of the legislature. "This will eliminate 75 percent of the current waitlist for at-risk children. And we certainly hope to continue to work on that, but this... this is the largest single investment I can remember addressing Pre-K children."

But solving the waiting list problem for NC Pre-K may not be so straightforward. In conversations and emails exchanges with managers in more than a dozen of North Carolina's largest counties, NC Health News found that different counties tabulate their waiting lists differently, so the same county may have a waiting list for part of the year but not the rest of the year and some counties simply turn people away without placing them on waiting lists.

It's not just funding for Pre-K that keeps kids away. Long travel times and transportation issues limit access in some places. And the availability of the program can depend on whether more of a county's programs are privately run or housed in elementary schools.

It's hard to know exactly how big the waiting list for NC Pre-K actually is at any given time and whether the additional state dollars will solve the problem of 4-year-olds missing their one shot at Pre-K because there's no space for them.

NC Pre-K is different from traditional pre-kindergarten programs in public schools. Eligible children must be 4 years old and must come from families whose income is at or below 75 percent of the state median income, \$44,390 for a family of four. Placement is not guaranteed -- hence the waiting lists. The state doesn't cover the entire cost of NC Pre-K, but instead pays a certain amount as reimbursement to those who provide the service. This year, the state budget allowed for \$69.6 million in appropriations to cover the costs of NC Pre-K that came from the state's General Fund. The rest of the \$154.5 million required to cover the program comes from lottery proceeds and federal funds.

Legislators applied \$47.8 million from the General Fund in last year's budget for Pre-K, this year's appropriation is a \$21.7 million increase over last year.

In a 2017 study done by the North Carolina Department of Health and Human Services, the average cost per slot in the NC Pre-K program is \$9,126, of which the state covers 61 percent.

The provider covers the remaining cost.

In the 2015-16 school year (the most recent year for data), more than half of the NC Pre-K providers were in a public school site (51.6 percent). Those sites have access to federal Title I funds, as well as other federal and state funding. Private providers (32.9 percent) don't have that luxury. Though their reimbursement rate is usually higher than their public counterparts, they are still left with a shortfall that can be met by funds from local Smart Start agencies or fundraisers. These options can vary by county.

Susan Gates, an education advisor with the SAS Institute, said she's pleased with the state's efforts to decrease the waitlists, but there's still work left. "Over 33,000 children across the state who are eligible for the program will still not be able to access it," she said. "Not every county keeps a 'waiting list,' and many families may not apply if they believe there will not be space for their child." (Leah Asmelash, NC HEALTH NEWS, 7/18/17).

## Cooper Approval

Gov. Roy Cooper's approval rating has increased to 53 percent in an opinion poll released Tuesday by Morning Consult, a Washington-based media company that ranked governors' popularity after polling 195,000 registered voters across the country. Cooper's approval rating has him ranked 24th among American governors, tied with the governors of Indiana, Minnesota and Oregon. The poll found that 28 percent of North Carolina registered voters disapprove of Cooper, and 20 percent said they had no opinion. The poll was conducted between April 1 and July 10. Cooper, Morning Consult wrote, "saw a 4-point net increase and 53 percent of Tar Heel voters now approve of the former state attorney general, who in late March reached a deal with Republicans in the state Assembly on a partial repeal of the controversial House Bill 2, also known as the



'bathroom bill.'" Morning Consult released a similar poll last week of U.S. senators' approval ratings. In North Carolina, Sen. Thom Tillis had a 41 percent approval rating (with 31 percent disapproving) and Sen. Richard Burr had a 45 percent approval rating (with 32 percent disapproving), a 4-point increase for Burr from the previous Morning Consult survey earlier this year.(Colin Campbell, THE INSIDER, 7/19/17).

## **No Dismissal**

A Superior Court judge rejected Tuesday a request from North Carolina's lieutenant governor and legislative leaders to dismiss a lawsuit accusing them of violating the state Constitution when they hastily called a special session in December to consider laws that transform state government. Judge W. Osmond Smith III ruled instead that the lawsuit filed this spring by Common Cause and 10 North Carolina residents should be heard by a three-judge panel tasked with hearing any constitutional challenges to laws adopted by the General Assembly.

The nonpartisan, good-government advocacy group contends that Lt. Gov. Dan Forest, president of the state Senate, Phil Berger, president pro tempore of the state Senate, and Tim Moore, speaker of the state House of Representatives, violated North Carolinians' rights when they took up bills in a three-day session in December without laying out to the public what was on the agenda. The lawsuit also contends that the elected officials did not provide the advance notice necessary to give the people affected an opportunity to "instruct their representatives."

The special session resulted in two laws that shifted long-held appointment powers from the governor's office to legislators, shifted some oversight of the state schools from the state board of education to the elected superintendent and overhauled the makeup of the state board of elections, ethics commission and county elections boards. Those changes have been challenged in separate lawsuits filed by the governor and others.(Anne Blythe, THE NEWS & OBSERVER, 7/18/17).

## **Civitas Rankings**

**Resources:** [Civitas Action 2017 Full Rankings](#)

The conservative group Civitas Action has released its annual ranking of legislators based on whether their votes match the organization's stance on the issues. Only one House legislator, Rep. Chris Millis, R-Pender, earned a perfect score in the rankings, while five Republican senators had perfect scores: Jim Davis of Macon County, Ralph Hise of Mitchell County, Wesley Meredith of Cumberland County, Jeff Tarte of Mecklenburg County and Jerry Tillman of Randolph County. Rep. Nelson Dollar, R-Wake, had the lowest ranking of House Republicans, while in the Senate, Sen. Tamara Barringer, R-Wake, and Sen. Warren Daniel, R-Burke, were tied for the lowest score among Republicans. Votes used to generate the scores and rankings include the vote to override Gov. Roy Cooper's budget veto, as well as votes on tax cuts, solar energy and jobs incentives. "We are encouraged to find that this year's Senate overall average score is higher than last year's but disappointed that the House's overall average dropped," Civitas Action President Francis De Luca said in a news release.(Colin Campbell, THE INSIDER, 7/19/17).

## **District Boundaries**

General Assembly members tasked with soon drawing North Carolina's legislative districts after courts found some boundaries were drawn with unlawful racial bias will hold their first meeting next week. A notice released Tuesday says the House and Senate redistricting committees will convene together July 26. That's the day before federal judges are hearing arguments about exactly when legislators should remap dozens of districts and whether an election under those maps should occur before the next scheduled election in November 2018. The notice didn't include a meeting agenda. Before lawmakers adjourned June 30, Republican leaders appointed committee members and unveiled a plan whereby they would redraw districts as soon as September and by November at the latest. Voters who successfully sued over the 2011 maps want a special election this fall.(THE ASSOCIATED PRESS, 7/18/17).

## **School Money**

North Carolina legislators violated the state constitution by diverting traffic fine revenues to pay for jails instead of schools, but a state appeals court ruled Tuesday judges can't make officials

cough up the money that should have helped educate students. The judges ruled unanimously that the Richmond County school system is owed \$272,300, reversing a trial judge's order last November commanding various state officials to immediately pay the school district or risk being thrown in jail.

The state constitution says the "clear proceeds" of all fines, penalties and forfeitures collected for breaking the law belong to counties and must be used only for maintaining public schools. "The state violated the North Carolina Constitution when it moved money otherwise destined for the Richmond County schools to a separate State fund," Judge Richard Dietz wrote for the three-judge panel. But "when the courts enter a judgment against the state, and no funds already are available to satisfy that judgment, the judicial branch has no power to order state officials to draw money from the state treasury to satisfy it."

The dispute concerns a 2011 decision by legislators to create a new \$50 fine for traffic violations and use the money to pay counties to house some misdemeanor offenders in their jails rather than in state prisons. The now-repealed fine was charged for improper equipment, a non-moving violation for dangerous tires or a broken speedometer or muffler. The appeals court also ruled in 2015 that Richmond County schools should get the fines instead. Nearly three dozen other school districts quickly sued the state for more than \$46 million they said should have gone to help students.

But the money was gone toward the county jail program and "without a new appropriation from the General Assembly, there were no funds available to satisfy the judgment," Dietz wrote. (Emery P. Dalesio, THE ASSOCIATED PRESS, 7/18/17).

### **Greensboro Redistricting**

Eight plaintiffs in a federal lawsuit over City Council redistricting are requesting that Guilford County pay for legal fees totaling more than \$600,000, according to court documents. The 33-page document, filed Friday in District Court, asks the county to foot the bill for "\$562,252 in attorney fees, \$35,016.64 in expert fees, and \$5,040.85 in non-taxable litigation expenses" for eight of the nine plaintiffs. The city of Greensboro, the remaining plaintiff, is not seeking reimbursement from the county.

Neither the General Assembly nor lawmakers were named as defendants in the lawsuit, which instead named the Guilford County Board of Elections. Guilford County Attorney Mark Payne declined to defend his clients in court, telling the judge the board carries out fair and impartial elections but has no control over district lines or legislation.

The motion to pay attorney and other fees, filed by Anita S. Earls of the Southern Coalition for Social Justice, argues that the plaintiffs are entitled to reimbursement under the Civil Rights Attorney's Fees Awards Act. The federal law allows courts to award "reasonable attorneys' fees" to prevailing parties in civil rights cases -- unless "special circumstances would render such an award unjust."

Payne said Tuesday that using taxpayer money to fund legal fees for a lawsuit fundamentally unrelated to the county most likely meets that definition. "Making innocent taxpayers pay for the error of the General Assembly seems to me to be manifestly unjust," he said.

Guilford County has until Aug. 7 to file a response with the court.

The redistricting lawsuit was filed in July 2015 after the General Assembly passed a bill changing the Greensboro City Council from five districts and three at-large seats to eight newly drawn districts. The legislation, introduced by Sen. Trudy Wade, R-Guilford, also limited the mayor to a vote only in the event of a tie. In April, U.S. Middle District Judge Catherine Eagles found the redistricting unconstitutional and ruled that all future elections would be held with the previous district map, unless a public referendum changed it. (Kate Elizabeth Queram, GREENSBORO NEWS & RECORD, 7/18/17).

### **Bill Signings**

Gov. Roy Cooper has signed legislation directing how \$100 million in additional Hurricane Matthew relief funds must be spent and requiring zip line and aerial ropes course owners to get minimum levels of liability insurance. Cooper enacted Tuesday ten more measures left on his desk by the General Assembly. He still has nearly 80 bills to consider before a July 30 deadline.



The state budget already set aside the hurricane relief money, but the separate measure signed Tuesday details how it will be used for low-income housing and public housing repairs, stream debris removal and farm cleanup. Those funds are on top of \$200 million approved last December for Matthew and mountain wildfires. The insurance mandate for "aerial adventure" activities would apply to camps and businesses that offer them.

Gov. Cooper also signed Senate Bill 391, also known as the Ferry Transportation Authority Act, creating a public authority to oversee ferry operations for Bald Head Island. The bill was introduced by Sen. Bill Rabon, R-Brunswick, earlier this year, which he described as a "public interest piece of legislation." The bill creates the Ferry Transportation Authority, a public body that will be governed by an 11-member board appointed by state and local governments to manage ferry operations. Appointees will include elected officials and residents of Bald Head Island and Southport, as well as a Brunswick County representative.

The authority will take over operations from Bald Head Island Limited LLC, a private organization that has owned and operated the island's transportation services since 1983. Chad Paul, CEO of the organization, previously said the bill provides a long-term stewardship plan for the ferry operation, which transported more than 300,000 passengers between Bald Head Island and Southport in 2016, and the barge operation, which made more than 800 round trips in 2016. (Makenzie Holland, WILMINGTON STAR-NEWS, and THE ASSOCIATED PRESS, 7/18/17).

### **Dropping Out**

Congressman Mark Meadows' first Democratic Challenger, Matt Coffay, announced that he would be dropping out of the race due to what he calls "extenuating personal circumstances." As first reported in the Smoky Mountain News back in April, Coffay -- who announced his candidacy at a health care rally in Waynesville -- became House Freedom Caucus leader and Western North Carolina Congressman Mark Meadows' first publicly declared challenger.

"Unfortunately, I have had sudden personal circumstances occur that are beyond my control. After extensive deliberation with my loved ones as well as with my campaign staff, I've decided that I have to drop out of the race in order to address these acute personal needs," Coffay said in a statement.

"I'm very proud of the incredible amount of work that we've been able to accomplish, the movement we've catalyzed, and the amount of support we've received -- all in a relatively short amount of time," Coffay said. (Jessi Stone, THE SMOKY MOUNTAIN NEWS, 7/18/17).

### **Brunch Bill**

Patrons of stores and restaurants in Currituck County, which includes Corolla, will have to wait until early August to buy alcoholic beverages on Sunday mornings after commissioners were unable to reach a required unanimous vote on the local provisions of the "Brunch Bill." Senate Bill 155 was approved by the General Assembly on June 28, and signed into law by Gov. Roy Cooper two days later, making several changes to North Carolina's laws regulating alcohol. Among them was giving local governments the option to pass an ordinance to allow alcohol sales at licensed establishments to begin at 10 a.m. in their jurisdictions. Currituck Chamber of Commerce executive director Josh Bass was first to speak during the public comment period.

"The chamber as always viewed this as a government regulation, and now that the state has removed it, we respectfully ask that the county remove it as well," Bass said. Bass noted the number of businesses, from grocery stores and gas stations to golf courses, wineries and a brewery in Currituck County that would benefit from being able to sell on Sunday mornings. Although the motion passed, because this was the first time it had been presented before the Board of Commissioners, under state law the vote had to be unanimous.

The matter cannot be taken up again until the board's next scheduled meeting on Aug. 7, when it can be approved by a simple majority.

Dare County commissioners unanimously approved the change Monday. (Sam Walker, THE OUTER BANKS VOICE, 7/17/17).

### **School Audit**

Frustrated by what they claim is a lack of transparency in the county schools' finances, Currituck commissioners are calling for an audit of the school district's books. Currituck commissioners

directed County Manager Dan Scanlon last week to come up with a plan for hiring an auditor to review the school district's finances. Scanlon advised commissioners the audit would probably cost between \$40,000 and \$50,000 and involve asking for information beyond what is included in a traditional audit. Fueling commissioners' concerns is what they claim is a lack of full disclosure by school officials about the district's finances as well as the district's heavy reliance on fund balance -- above what the county already appropriates -- to pay for school operations.

During Thursday's work session, commissioners said they would be willing to meet with school administration officials and the Currituck Board of Education to discuss their concerns. But board Chairman Bobby Hanig made clear commissioners don't want a repeat of the joint meeting the boards held in February. Commissioners said afterward they left that meeting empty-handed about specifics when they raised questions about the school district's finances. Reached Saturday, Currituck schools Superintendent Mark Stefanik said he was not aware of commissioners' call for an audit of the district's finances. He noted the school district's budget is already available for review because it's a public document. "So it is available for review anytime anybody wants to review it," he said.

Stefanik also noted the school district already has its finances audited by an independent auditor every fiscal year. He said the audit for the 2016-17 school year that ended July 1 is ongoing, but all of the district's past audits are good.

During commissioners' work session on Thursday, Commissioner Paul Beaumont was critical of school officials. He took issue with their handling of a number of school-related matters. He expressed particular concern about what he said is an unfilled physical education teacher position. "Our school board or administration has decided we're not going to have a professional coach to backfill that position," Beaumont said. He said school officials' justification for not filling the position is there isn't money for it in the district's budget. Given the school district's formerly healthy fund balance, he questioned the schools' not having money for the position. (William F. West, THE (Elizabeth City) DAILY ADVANCE, 7/17/18).

## **Moving On**

Barry Saunders -- who entertained, informed and sometimes enraged readers for more than 24 years as a local columnist -- is leaving The News & Observer. Readers regularly turned to The N&O's local pages -- and later to its website -- to see Saunders' take on the pressing issues of the day. "For more than two decades, Barry Saunders has been one of the Triangle's leading voices," said John Drescher, executive editor of The N&O. "He's been courageous, he's been insightful, he's been funny. Barry's deep roots in North Carolina clearly influenced his work and helped make him a must-read for many of our readers."

Former North Carolina Gov. Jim Hunt agreed, noting that Saunders often used "lingo and down-home country talk" that instantly appealed to readers, who would then discover greater truths in his work. "We found in Barry a man who has wisdom beyond what we initially expected," Hunt said. "From my special perch, I can tell you that ... his columns helped make North Carolina be a better place." (THE NEWS & OBSERVER, 7/18/17).

## **Reynolds Vote**

A shareholder vote expected locally for almost 13 years arrives Wednesday. At 9 a.m., Reynolds American Inc. shareholders will determine whether to accept \$54.5 billion from British American Tobacco PLC in exchange for selling the 57.8 percent of Reynolds shares that BAT doesn't already own. Simultaneously, BAT shareholders will vote on whether to approve the purchase and the issuance of up to 435.56 million new shares, which will comprise 17.7 percent of the company's 2.46 billion outstanding shares.

If both shareholder groups approve the deal, Reynolds is projected to become a U.S. subsidiary of BAT on July 25. Additional merger details are expected to be disclosed July 25 as part of the deal closing. There is a \$1 billion breakup fee for both companies.

The shareholder votes come nine days shy of 13 years from when 98.8 percent of R.J. Reynolds Tobacco Holdings Inc. shareholders approved the company's \$4.4 billion stock purchase of Brown & Williamson Tobacco Corp. -- BAT's U.S. subsidiary at that time.



Reynolds American Inc. was formed from that merger, debuting July 30, 2004. BAT gained 42.2 percent ownership of Reynolds, giving it an internal insight into a competitor seldom seen in corporate America.(Richard Craver, WINSTON-SALEM JOURNAL, 7/18/17).

### **Gas Pipeline**

Although they previously passed a resolution supporting the construction of the proposed 600-mile Atlantic Coast Pipeline, Robeson County commissioners Monday voted to delay action on a conditional-use permit that would allow for the placement of a monitoring station and 350-foot-tall microwave cell tower near Pembroke. The decision pleased opponents of the pipeline, who say not enough public input has been permitted in the planning process. Supporters of the pipeline were shocked that the same commissioners who have passed a resolution supporting the natural gas pipeline suddenly decided to delay approving a permit that would move construction forward. All seven of the commissioners present voted at the recommendation of Commissioner Noah Woods that the permit not be denied but just delayed until public hearings are held in Robeson County to educate the public about the proposed pipeline. Commissioner David Edge was not present. The commissioners made their decision after the Rev. Mac Legerton and Robie Goins, both members of the environmental group Eco-Robeson, pleaded with them to hold public meetings before any approval of the monitoring station and cell tower that would be constructed beside N.C. 710, on 2.6 acres of a 17.608-acre tract owned by Piedmont Natural Gas Company Inc.

The proposed interstate natural gas transmission pipeline is to originate in Harrison County, West Virginia, and end at the site of the proposed monitoring station and cell tower. At the Pembroke site, the pipeline would interconnect with the existing Piedmont Natural gas line for further distribution of the natural gas. "I'm not saying deny the permit," an emotional Legerton said. "I'm saying let's vet, listen and learn before we do something. We know little of the dangers of this project." Legerton accused the utility companies of changing the route of the proposed pipeline so it goes away from the wealthier areas and instead passes through poor areas where people are not as well-educated about the project.

The commissioners did not say when they would hold public information meetings concerning the pipeline.(Bob Shiles, THE ROBESONIAN, 7/18/17).

### **Historic Place**

The oldest camp-meeting ground in North Carolina, in Lincoln County, is among eight state sites added to the National Register of Historic Places. The listing corrected the name of the Rock Spring Camp Ground, in Denver, which was first added to the register in 1972. Its listed boundaries were also changed to include an additional 25 acres. Methodists established the site in 1830 as part of the evangelistic camp meeting movement, and generations have flocked to stay in its wooden "tents" each August. Rock Spring is the oldest and one of the largest camp meeting grounds in North Carolina. A historic district in Raleigh and six individual properties were also added to the National Register, bringing North Carolina listings to more than 3,000.(Bruce Henderson, THE CHARLOTTE OBSERVER, 7/18/17).

### **College Jobs**

Duke University has been named a "Great College to Work For" by the Chronicle of Higher Education. It was the ninth time in 10 years that Duke has made the Chronicle's list of good campus workplaces. Out of 232 colleges that participated in surveys for the ranking, 79 received the Chronicle's "Great College to Work For" designation.

The ranking, released Monday, is based on a two-step process that includes an audit on policies and demographics and a survey of faculty, administrators and staff. The Chronicle survey was conducted by ModernThink LLC, a firm that specializes in workplace satisfaction studies. Duke performed well in two categories of a dozen measured by the ranking: compensation and benefits; and facilities, workspaces and security. Duke University and its health system have more than 37,000 employees.(Jane Stancill, THE NEWS & OBSERVER, 7/18/17).

### **No New Trial**

Jonathan Broyhill, the man convicted of killing political strategist Jamie Hahn in 2013, failed to persuade a three-judge panel at the state Court of Appeals to grant him a new trial. In a ruling released Tuesday, Rick Elmore, John Tyson and Phil Berger Jr., the three appellate judges who heard Broyhill's appeal, concluded that the murder trial had been "fair" and "free from error." In April, Broyhill's appellate attorney, Gordon Widenhouse, argued that Judge Paul Ridgeway, who presided over the trial in March 2015, erred by prohibiting a prison psychiatrist who treated Broyhill 15 months after the attack from telling jurors the kinds of medicine he had prescribed for him while he was in jail. Prosecutors argued in 2015 that the doctor would not have been able to offer testimony about Broyhill's state of mind on April 22, 2013, when he engaged in a frenzied knife attack at the home of Jamie and Nation Hahn, a longtime acquaintance of Broyhill. Jamie Hahn, 29, was fatally injured, while her husband suffered wounds that led to a verdict of attempted murder for Broyhill.

Broyhill, whose own defense attorney described him at trial as a chronic liar who feigned illnesses and stole thousands of dollars, did not dispute that he had caused the injuries that killed Jamie Hahn and left Nation Hahn with physical and emotional scars. Broyhill had been best man at the Hahns' wedding.

Joseph Arbour, who represented Broyhill, argued that Broyhill had gone to the Hahns' home that April day with a plan to turn an 8-inch butcher knife on himself. Broyhill had helped manage a campaign account for U.S. Rep. Brad Miller, a Democrat from Wake County who was a client of Jamie Hahn's political consulting firm, and questions had been growing about irregularities in the account.

The appellate judges agreed with Ridgeway, who said at trial that the psychiatrist's testimony could confuse the jurors since he would be talking about medicines he prescribed 15 months after the stabbing and did not have information about Broyhill's state of mind at the time of the incident. Broyhill was sentenced to spend the rest of his life in prison. (Anne Blythe, THE NEWS & OBSERVER, 7/18/17).

### **Asheville Mayor**

An East West Asheville neighborhood activist and past City Council candidate known for fiery criticism of the New Belgium Brewing facility and what he called the city's "low-tech infrastructure" is officially running for mayor. Jonathan Wainscott filed Monday at Buncombe County Election Services to run for Asheville's highest office.

In other news, Councilman Keith Young said he will not join the mayoral race. Young's decision Monday leaves Wainscott and incumbent Esther Manheimer as the official competitors, but with almost four days before the noon Friday filing deadline that could still change.

Wainscott, 46, was a fine woodworker who grew up in Clemson, South Carolina. He got a degree in interior design at Miami University in Oxford, Ohio, and lived in Chicago six years before moving to Asheville in 1998. He became a stay-at-home father after the birth of his twin sons and is now back to work as a general handyman "while I find a new occupational journey," he said. He said he would give more details on his platform later but that it was similar to when he ran for the council in 2013, "assessing the essential needs of the city and the performance of city staff in meeting those needs," he said. (Joel Burgess, ASHEVILLE CITIZEN-TIMES, 7/18/17).

### **New Flights**

Triangle travelers will be able to fly directly to Kansas City, Mo., and Providence, R.I., starting next spring via Frontier Airlines. Frontier also will add new flights to Austin beginning Oct. 5 and new flights to Cincinnati starting next spring. The flights to Kansas City and Providence give Raleigh-Durham International Airport two new nonstop destinations, bringing the airport's total of direct routes to 50. The Kansas City flight also will connect RDU to one of its top unserved destinations. "Fifty nonstop destinations is a huge milestone for us," said Michael Landguth, RDU's president and CEO. Delta Air Lines created the first direct connection to Austin in March. The top unserved destinations from RDU now include San Diego, Portland, Ore., San Jose, Calif., and San Antonio. (Kathryn Trogon, THE NEWS & OBSERVER, 7/18/17).

### **Toxic Algae**



State officials are warning people to stay away from potentially toxic algae that's growing in Fontana Lake, a scenic boating and fishing spot in North Carolina's mountains. The algal bloom has been observed near the Bryson City 288 boat ramp and Fontana Lake Dam but might also be in other areas, the Division of Water Resources said Tuesday. The 17-mile lake lies south of Great Smoky Mountains National Park. The blue-green algae has been identified as species that can produce toxins capable of affecting the kidneys, gastrointestinal tract, liver, and nervous system of people, pets and livestock. Children are especially vulnerable because of their small size. So are dogs, which have died after lapping up water near blooms or eating the algae. The division said no health problems associated with the Fontana bloom have been reported.

Algal blooms are common in warm weather in slow-moving or stagnant water. In some phases, the fast-growing blooms can strip oxygen out of water and kill fish. The Fontana bloom was first reported last week in the Tuckaseegee arm of the lake. The water resources division says it has also monitored a blue-green algae bloom on the coast, in the Chowan River near Edenton, for several weeks.(Bruce Henderson, THE CHARLOTTE OBSERVER, 7/18/17).

### **DuraFiber Closure**

Huntersville-based textile manufacturer DuraFiber Technologies is closing its plants in Salisbury and Grover, a move that will result in the loss of over 460 jobs. In a filing with the N.C. Commerce Department, the manufacturer said it is permanently closing its facility at 7401 Statesville Blvd. in Salisbury, resulting in the loss of 373 jobs. It is also shutting down the manufacturing site at 2525 Blacksburg Road in Grover, costing 89 employees their jobs.

This is part of the company's effort to cut costs in a time when the textile industry faces an increasingly competitive environment, DuraFiber previously said in a statement. The company had previously said it would close the Salisbury and Grover sites unless it could find a buyer by Sept. 10. The company is also shutting down its facilities in Winnsboro, S.C.

DuraFiber Technologies is a manufacturer of fibers, fabrics and sewing threads. It employs approximately 800 workers at its Salisbury, Shelby and Winnsboro plants and 1,800 employees globally. The company also has international operations in France, Germany and Mexico.(Wei Zhou, THE CHARLOTTE OBSERVER, 7/18/17).

### **Flounder Fishing**

The U.S. Department of Commerce says its top official was right to reverse a decision about flounder fishing regulations made by an interstate commission. The regulatory Atlantic States Marine Fisheries Commission announced last month it had found New Jersey out of compliance with management of its fishery. But Secretary of Commerce Wilbur Ross disagreed and did not sign off on a ruling that could've forced a local moratorium on flounder fishing. The move drew criticism from the commission and conservationists who say the decision overrides sustainable fishing rules on the East Coast. But a spokesman for the Commerce Department said Tuesday that Ross doesn't think a fishing moratorium is warranted. The spokesman said Ross feels alternative measures implemented by New Jersey are adequate to protect the fish's population.(THE ASSOCIATED PRESS, 7/18/17).

### **Cheerwine Celebration**

Top Cheerwine officials are in the nation's capital to participate in a made-in-America showcase put together by the Trump administration. Cliff Ritchie, president of the company, and Joy Ritchie Harper, marketing director, flew to Washington to be part of Monday's showcase. Cheerwine held a prominent position in the circle of tables -- right next to the podium from which Vice President Mike Pence and President Donald Trump spoke.

A White House news release said Trump hosted the event in a continuation of his efforts to put America first. The ceremony was designed to highlight and celebrate American-made products and encourage other companies to manufacture their products in the United States. Cheerwine was selected to represent North Carolina.(THE SALISBURY POST, 7/18/17).

## **Legislative Studies and Meetings**

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Items in **Bold** are new listings.

**LB:** Legislative Building

**LOB:** Legislative Office Building.

More Information: <http://ncleg.net/LegislativeCalendar/>

### **Wednesday, July 26**

- **1:30 p.m. | House Select Committee on Redistricting, 643 LOB.**

### **Thursday, Aug. 3**

- Noon | House convenes in session.
- Noon | Senate convenes in session.

## **N.C. Government Meetings and Hearings**

Items in **BOLD** are new listings.

### **Wednesday, July 19**

- 9 a.m. | The N.C. Plant Conservation Board meets, N.C. Cooperative Extension Service Watauga County Center Conference, Room 971 W. King St., Boone.

### **Thursday, July 20**

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.
- **11:30 a.m. | The State Board of Community Colleges Personnel Committee meets followed by an Issues Luncheon focused on the Virtual Learning Community, NC Community College System Office at 200 W. Jones St., Raleigh. Committee meetings will resume at 1:30 p.m.**

### **Friday, July 21**

- **9 a.m. | The State Board of Community Colleges board meets, NC Community College System Office at 200 W. Jones St., Raleigh.**

### **Monday, July 24**

- 1 p.m. | The Economic Investment Committee meets to consider one or more economic development proposals, N.C. Commerce Executive Board Room, fourth floor, 301 N. Wilmington St., Raleigh. Contact: Hannah Harrill, [919-814-4612](tel:919-814-4612).

### **Tuesday, July 25**

- 9 a.m. | The N.C. Code Officials Qualification Board holds public hearing on proposed rule changes, 1st Floor Hearing Room, Room 131 (Albemarle Building), 325 N. Salisbury St., Raleigh.
- 1 p.m. | The Board Development Committee of The North Carolina Partnership for Children meets, 1100 Wake Forest Road, Raleigh. Contact: Yvonne Huntley, [919-821-9573](tel:919-821-9573).

### **Wednesday, July 26**



- **9 a.m. | The Wildlife Resource Commission committees meet, Commission Room, 5th Floor, 1751 Varsity Dr., Raleigh.**

#### **Thursday, July 27**

- 9 a.m. | The NC Wildlife Resources Commission meets, WRC Centennial Campus, 1751 Varsity Dr., Raleigh.

#### **Monday, July 31**

- 12 p.m. | The N.C. State Board of Elections hold public hearing on proposed rule changes, State Board of Elections Office, 441 N. Harrington St., Raleigh.

#### **Tuesday, Aug. 1**

- 12 p.m. | The UNC Board of Governors' Committee on Educational Planning, Policies, and Programs, Board Room of the Center for School Leadership Development, 140 Friday Center Dr., Chapel Hill. Contact: Josh Ellis, [919-962-4629](tel:919-962-4629).

#### **Thursday, Aug. 3**

- TBD | The Golden LEAF Foundation's board meets, TBD. Contact: Jenny Tinklepaugh, [888-684-8404](tel:888-684-8404).

#### **Wednesday, Aug. 16**

- 10:30 a.m. | The Criminal Justice Education and Training Standards Commission holds public hearing on proposed rule changes, Wake Technical Community College-Public Safety Training Center, 321 Chapanoke Road, Raleigh.

#### **Thursday, Aug. 17**

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

#### **Wednesday, Sept. 13**

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

#### **Thursday, Sept. 14**

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

#### **Thursday, Sept. 21**

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

#### **Thursday, Sept. 28**

- 10:30 a.m. | The Standard Commercial Fishing License Eligibility Board to the N.C. Division of Marine Fisheries meets, N.C. Division of Marine Fisheries' Wilmington District Office, 127 North Cardinal Dr. Extension, Wilmington.

#### **Thursday, Oct. 5**

- TBD | The Golden LEAF Foundation's board meets, TBD. Contact: Jenny Tinklepaugh, [888-684-8404](tel:888-684-8404).
- TBD | The NC Wildlife Resources Commission meets, WRC Centennial Campus, 1751 Varsity Dr., Raleigh.

#### **Thursday, Oct. 19**

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

#### **Wednesday, Nov. 8**

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

#### **Thursday, Nov. 9**

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

#### **Thursday, Nov. 16**

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

#### **Thursday, Dec. 7**

- TBD | The Golden LEAF Foundation's board meets, TBD. Contact: Jenny Tinklepaugh, [888-684-8404](tel:888-684-8404).
- TBD | The NC Wildlife Resources Commission meets, 1751 Varsity Dr., Raleigh.

#### **Thursday, Dec. 21**

- 10 a.m. | The N.C. Rules Review Commission meets, Administrative Hearings office, Rules Review Commission Room, 1711 New Hope Church Road, Raleigh.

#### **Wednesday, Jan. 10**

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.

#### **Thursday, Jan. 11**

- 9 a.m. | Environmental Management Commission meets, Ground Floor Hearing Room, Archdale Building, 512 N. Salisbury St., Raleigh.



The N.C. Dept. of Environment and Natural Resources has a new name - the N.C. Dept. of Environmental Quality. More Information: <http://portal.ncdenr.org/web/guest/home>

### **Tuesday, July 18**

- 6 p.m. | The N.C. Division of Water Resources hold public meeting on Atlantic Coast Pipeline Water Quality Certification, Fayetteville Technical Community College Cumberland Hall Auditorium at 2201 Hull Rd., Fayetteville.

### **Thursday, July 20**

- 6 p.m. | The N.C. Division of Water Resources hold public meeting on Atlantic Coast Pipeline Water Quality Certification, Nash Community College Brown Auditorium at 522 N. Old Carriage Road, Rocky Mount.

### **Thursday, Aug. 3**

- 2 p.m. | The state Department on Air Quality holds public hearing concerning incorporation of 2015 Ozone Ambient Standard and Readoption, 2145 Suttle Ave., Charlotte.

## **N.C. Utilities Commission Hearing Schedule**

Dobbs Building  
430 North Salisbury Street  
Raleigh, North Carolina  
More Information: <http://www.ncuc.commerce.state.nc.us/activities/activit.htm>

### **Monday, July 24**

- Staff Conference

### **Monday, July 31**

- Staff Conference

## **UNC Board of Governors**

Board Room of the UNC Center for School Leadership Development  
140 Friday Center Drive, Chapel Hill (**remote meeting locations in BOLD**)  
More Information: <https://www.northcarolina.edu/bog/schedule.php>

### **Tuesday, Aug. 1**

- 12 p.m. | The Board of Governors' Committee on Educational Planning, Policies, and Programs, Board Room of the Center for School Leadership Development, 140 Friday Center Dr., Chapel Hill.

### **Friday, Sept. 8**

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

### **Friday, Nov. 3**

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

### **Friday, Dec. 15**

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

### **Friday, Jan. 26, 2018**

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

### **Friday, March 23, 2018**

- TBA | UNC Wilmington, Wilmington.

### **Friday, May 25, 2018**

- TBA | The UNC Board of Governors, C.S.L.D. Building, Chapel Hill.

## **Other Meetings and Events of Interest**

Items in **BOLD** are new listings.

### **Sunday, July 30**

- TBD | The NC Bankers Association host 81st Annual NC School of Banking, William & Ida Friday Center, UNC-Chapel Hill. The conference concludes on Aug. 4.

### **Monday, Aug. 14**

- No time given | U.S. Small Business Administration deadline for businesses, private nonprofit organizations, homeowners, and renters in North Carolina to submit disaster loan applications for damages caused by the severe storms on May 30.

### **Friday, Sept. 8**

- No Time Given | The 77th Annual National Folk Festival opens in Downtown Greensboro for its third year in the state. Contact: Kaitlin Smith, [336-373-7523](tel:336-373-7523), ext 246.

### **Sunday, Sept. 24**

- TBD | The NC Bankers Association hold Young Bankers Conference, Crowne Plaza Asheville Resort, Asheville.

### **Wednesday, Oct. 11**

- 10 a.m. | The Carolinas Air Pollution Control Association hold Technical Workshop and Forum, Hilton Myrtle Beach Resort, 10000 Beach Club Dr., Myrtle Beach.

### **Monday, Nov. 6**

- TBD | The NC Bankers Association hold Women in Banking Conference, Renaissance Charlotte Southpark, 5501 Carnegie Blvd., Charlotte.



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